

**DAVID PORTER**  
Chairman  
**CHRISTI CRADDICK**  
Commissioner  
**RYAN SITTON**  
Commissioner



## A Monthly Data Review from the Railroad Commission of Texas ■ July 2015

### HIGHLIGHTS

#### Natural Gas Production

In April 2015 Texas natural gas production was 659.39 billion cubic feet (bcf), down from 702.89 bcf produced during the same month in 2014. *(Note: Recent oil and gas production data are considered preliminary, incomplete, and subject to revision. See pages 3 and 6 for the most recent production adjustment factors.)*

#### Crude Oil Production

In April 2015 Texas crude oil production averaged 2.766 million barrels per day (mmb/d), up from 2.531 mmb/d reported during the same month in 2014. *(See Note above.)*

#### Rotary Rigs Operating in Texas

In June 2015 the average Texas rotary rig count was 363, down from 891 rigs running during the same month last year. The June rig count was down from the May rig count of 375.  
*Source: Baker Hughes Inc.*

#### Permits to Drill

In June 2015 the Railroad Commission issued 851 original permits to drill, down from 2,185 permits issued during the same month last year and down from 916 permits issued in May.

#### Oil and Gas Well Completions

In June 2015 operators reported 1,416 oil completions, down from 1,739 oil completions during the same month last year. There were 225 gas completions in June, down from 316 gas completions reported during the same month last year. There were 1,641 wells drilled in Texas in June, down from 2,055 wells drilled during the same month last year.

### TRENDS

#### EIA Short-Term Outlook for Crude Oil and Natural Gas:

The average price of imported crude for U.S. refiners (an indicator of world oil prices) is expected to decrease from the average 2014 level of \$89.65 per barrel to \$54.84 per barrel during the 3<sup>rd</sup> quarter of 2015 and average \$52.35 for the year, according to the U.S. Energy Information Administration's (EIA) "Short-Term Energy Outlook" for July 2015.

The West Texas Intermediate spot average is expected to decrease from the 2014 average level of \$93.17 per barrel to \$58.35 per barrel during the 3<sup>rd</sup> quarter of 2015 and average \$55.51 for the year.

U.S. petroleum demand is expected to increase 2.10 percent from 2014 to 2015 to 19.43 million barrels per day and increase 0.67 percent from 2015 to 2016 to 19.56 million barrels per day.

U.S. natural gas demand is expected to increase 4.18 percent from 2014 to 2015 to 27.94 trillion cubic feet, and is expected to decrease by 0.14 percent from 2015 to 2016 to 27.90 trillion cubic feet.

EIA projects that natural gas Henry Hub spot prices will average \$3.06 per mmbtu for the 3<sup>rd</sup> quarter of 2015 and average \$2.97 per mmbtu for the year. This is a 32.35 percent decrease from EIA's 2014 Henry Hub spot price of \$4.39 per mmbtu. *(Note: Beginning January 2013 EIA discontinued publishing wellhead prices and began publishing a natural gas spot price at the Henry Hub.)*

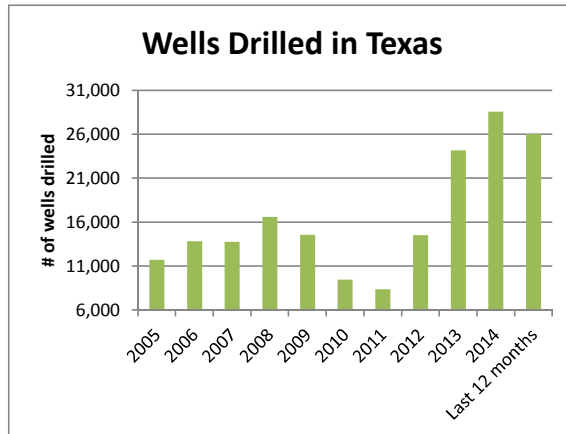
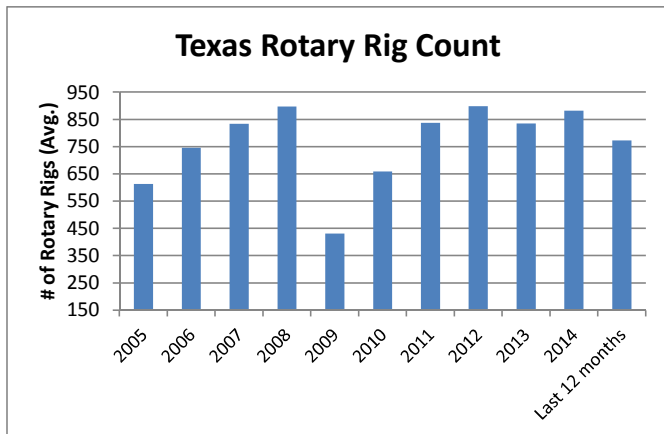
EIA projects a natural gas Henry Hub spot price of \$3.31 per mmbtu for 2016, a 11.45 percent increase from the \$2.97 projected average price for 2015. *(See note above.)*

### INSIDE

|                   |     |
|-------------------|-----|
| Rotary Rig Count  | 2   |
| Drilling Permits  | 2   |
| Well Completions  | 2   |
| Texas Natural Gas | 3   |
| Texas Gas Storage | 4-5 |
| Texas Crude Oil   | 6   |
| US Petroleum      | 7   |

**TABLE 1. TEXAS DRILLING AND COMPLETION SUMMARY**

| Period         | Active Rotary Rigs * |       | Permits # | Wells Completed |        | Wells Drilled ** |
|----------------|----------------------|-------|-----------|-----------------|--------|------------------|
|                | Texas                | U.S.  |           | Oil             | Gas    |                  |
| 1994           | 274                  | 775   | 11,248    | 3,962           | 3,553  | 9,299            |
| 1995           | 251                  | 723   | 11,244    | 4,334           | 3,778  | 9,785            |
| 1996           | 283                  | 779   | 12,669    | 4,061           | 4,060  | 9,747            |
| 1997           | 358                  | 943   | 13,933    | 4,482           | 4,594  | 10,778           |
| 1998           | 303                  | 827   | 9,385     | 4,509           | 4,907  | 11,057           |
| 1999           | 227                  | 625   | 8,430     | 2,049           | 3,566  | 10,778           |
| 2000           | 343                  | 918   | 12,021    | 3,111           | 4,580  | 8,854            |
| 2001           | 462                  | 1,156 | 12,227    | 3,082           | 5,787  | 10,005           |
| 2002           | 338                  | 830   | 9,716     | 3,268           | 5,474  | 9,877            |
| 2003           | 449                  | 1,032 | 12,664    | 3,111           | 6,336  | 10,420           |
| 2004           | 506                  | 1,192 | 14,700    | 3,446           | 7,118  | 11,587           |
| 2005           | 614                  | 1,381 | 16,914    | 3,454           | 7,197  | 11,726           |
| 2006           | 746                  | 1,649 | 18,952    | 4,761           | 8,534  | 13,854           |
| 2007           | 834                  | 1,769 | 19,994    | 5,084           | 8,643  | 13,778           |
| 2008           | 898                  | 1,880 | 24,073    | 6,208           | 10,361 | 16,615           |
| 2009           | 432                  | 1,086 | 12,212    | 5,860           | 8,706  | 14,585           |
| 2010           | 659                  | 1,541 | 18,029    | 5,392           | 4,071  | 9,477            |
| 2011           | 838                  | 1,875 | 22,480    | 5,380           | 3,008  | 8,391            |
| 2012           | 899                  | 1,919 | 22,479    | 10,936          | 3,580  | 14,535           |
| 2013           | 835                  | 1,761 | 21,471    | 19,249          | 4,917  | 24,166           |
| 2014           | 882                  | 1,862 | 25,792    | 24,999          | 3,585  | 28,585           |
| Last 12 months | 774                  | 1,681 | 21,681    | 22,166          | 3,867  | 26,034           |
| Jun-14         | 891                  | 1,861 | 2,185     | 1,739           | 316    | 2,055            |
| Jul-14         | 892                  | 1,876 | 2,419     | 1,958           | 234    | 2,192            |
| Aug-14         | 900                  | 1,904 | 2,440     | 2,157           | 303    | 2,460            |
| Sep-14         | 902                  | 1,930 | 3,013     | 2,048           | 328    | 2,377            |
| Oct-14         | 899                  | 1,925 | 3,046     | 2,035           | 354    | 2,389            |
| Nov-14         | 904                  | 1,925 | 1,508     | 1,570           | 380    | 1,950            |
| Dec-14         | 872                  | 1,882 | 1,506     | 1,559           | 353    | 1,912            |
| Jan-15         | 773                  | 1,683 | 1,102     | 1,450           | 344    | 1,794            |
| Feb-15         | 599                  | 1,348 | 924       | 1,521           | 210    | 1,731            |
| Mar-15         | 492                  | 1,108 | 923       | 1,547           | 305    | 1,852            |
| Apr-15         | 422                  | 976   | 848       | 1,867           | 314    | 2,181            |
| May-15         | 375                  | 889   | 916       | 1,299           | 201    | 1,500            |
| Jun-15         | 363                  | 861   | 851       | 1,416           | 225    | 1,641            |



\* Source: Baker Hughes Inc.

# Totals shown are number of drilling permits issued

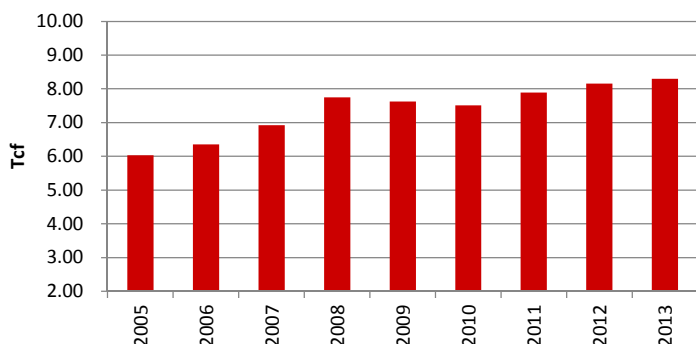
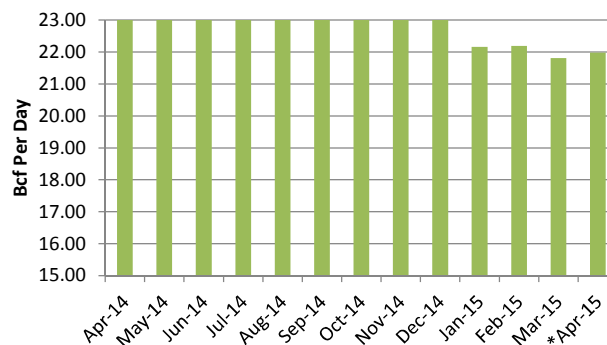
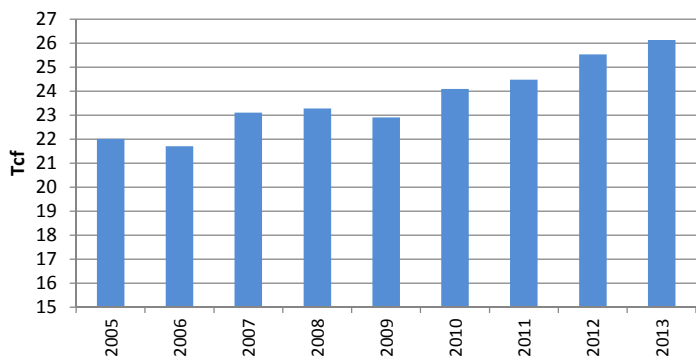
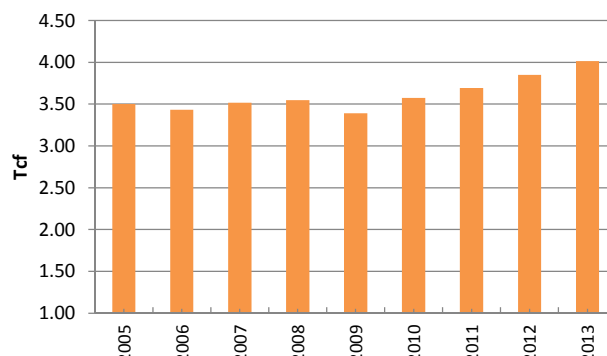
\*\* Wells drilled are oil and gas well completions and dry holes drilled/plugged.

**TABLE 2. TEXAS NATURAL GAS (Trillion CF)**

| Period | Total Production * | Proved Reserves # | Consumption # | Producing Wells * | Wellhead Price ** |
|--------|--------------------|-------------------|---------------|-------------------|-------------------|
| 1994   | 5.71               | 39.02             | 3.67          | 52,614            | \$1.85            |
| 1995   | 5.71               | 39.74             | 3.80          | 53,612            | \$1.55            |
| 1996   | 5.88               | 41.59             | 3.99          | 55,052            | \$2.17            |
| 1997   | 5.86               | 41.11             | 4.12          | 56,736            | \$2.32            |
| 1998   | 5.83               | 40.79             | 4.21          | 58,436            | \$1.96            |
| 1999   | 5.61               | 43.35             | 4.01          | 59,088            | \$2.19            |
| 2000   | 5.76               | 45.42             | 4.42          | 60,486            | \$3.68            |
| 2001   | 5.83               | 46.46             | 5.25          | 63,598            | \$4.00            |
| 2002   | 5.73               | 47.49             | 4.30          | 65,686            | \$2.95            |
| 2003   | 5.82               | 48.72             | 5.05          | 68,488            | \$4.88            |
| 2004   | 6.02               | 53.28             | 3.91          | 72,237            | \$5.46            |
| 2005   | 6.03               | 60.18             | 3.50          | 76,510            | \$7.33            |
| 2006   | 6.36               | 65.81             | 3.43          | 83,218            | \$6.39            |
| 2007   | 6.92               | 76.36             | 3.52          | 88,311            | \$6.25            |
| 2008   | 7.75               | 81.84             | 3.55          | 96,502            | \$7.97            |
| 2009   | 7.62               | 85.03             | 3.39          | 101,097           | \$3.67            |
| 2010   | 7.52               | 94.29             | 3.57          | 101,653           | \$4.48            |
| 2011   | 7.90               | 104.45            | 3.69          | 101,831           | \$3.95            |
| 2012   | 8.16               | 93.48             | 3.85          | 102,218           | \$2.66            |
| 2013   | 8.30               | 97.92             | 4.02          | 103,445           | n/a               |

| Total Gas Production (Bcf) |       |         |          |            |
|----------------------------|-------|---------|----------|------------|
| Period                     | Daily | Monthly | Gas Well | Casinghead |
| Apr-14                     | 23.43 | 702.89  | 539.26   | 163.64     |
| May-14                     | 23.63 | 732.57  | 559.14   | 173.43     |
| Jun-14                     | 23.73 | 711.84  | 538.29   | 173.55     |
| Jul-14                     | 23.61 | 731.81  | 549.37   | 182.44     |
| Aug-14                     | 23.72 | 735.20  | 547.33   | 187.88     |
| Sep-14                     | 23.42 | 702.58  | 523.81   | 178.77     |
| Oct-14                     | 23.45 | 726.92  | 541.85   | 185.07     |
| Nov-14                     | 23.21 | 696.43  | 520.27   | 176.16     |
| Dec-14                     | 23.26 | 721.00  | 535.93   | 185.07     |
| Jan-15                     | 22.17 | 687.18  | 514.53   | 172.65     |
| Feb-15                     | 22.19 | 621.41  | 458.56   | 162.85     |
| Mar-15                     | 21.81 | 676.26  | 497.62   | 178.63     |
| *Apr-15                    | 21.98 | 659.39  | 503.07   | 156.32     |

\* Note: The most recent 12 months of production data is preliminary and subject to revision. The most recent month of data is incomplete and may underestimate the final and complete total; a production adjustment factor of 1.1676 has been applied to reported April gas well production to obtain an estimate of final gas well production.

**Texas Natural Gas Production****Average Daily Gas Production 2014-2015****U.S. Natural Gas Consumption****Texas Natural Gas Consumption**

\* Source: Railroad Commission of Texas. The most recent 12 months of production data is subject to revision. Annual data is subject to revision as the Commission receives many corrected or delinquent production reports.

# Source: US Energy Information Administration (EIA):EIA's reserves for estimates for 1994 and after exclude federal offshore and are wet after lease separation.

\*\* Source: Texas Comptroller of Public Accounts. Wellhead price is average net taxable price (\$/Mcf) and excludes federal offshore production.

Source for 2001 and after is EIA and wellhead price is national average. Beginning 01/13 EIA will discontinue publishing wellhead prices and begin publishing a natural gas spot price at the Henry Hub.

**TABLE 3. TEXAS GAS STORAGE OPERATIONS**

| Productive or Depleted Reservoirs         |                      |                 | Reported Max<br>Withdrawal<br>Rate<br>(MMCF/DAY) | Working Gas*<br>6/30/2015<br>(MMCF) | Working Gas*<br>6/30/2014<br>(MMCF) | Change From<br>One Year Ago<br>(MMCF) | Preliminary<br>Working Gas*<br>7/15/2015<br>(MMCF) |
|---|----------------------|-----------------|--|-------------------------------------|-------------------------------------|---------------------------------------|--|
| Operator                                  | Field                | County Location |  |                                     |                                     |                                       |  |
| Oneok TX Gas Storage LP                   | Felmac (Yates)       | Gaines          | 45   | 2,610                               | 2,247                               | 363                                   | 2,620  |
| Oneok TX Gas Storage LP                   | Loop (Yates)         | Gaines          | 75   | 800                                 | 800                                 | -                                     | 800  |
| Enbridge Pipeline LLC                     | Pickton (Bacon Lime) | Hopkins         | 15   | 2,271                               | 2,201                               | 70                                    | 2,273  |
| Houston Pipe Line Co.                     | Bammell              | Harris          | 1,300  | 47,178                              | 15,417                              | 31,761                                | 48,342   |
| Cago, Inc.                                | Ambassador           | Clay            | 40   | 80                                  | 80                                  | -                                     | 80   |
| Hill Lake Gas Storage LLC                 | Hill-Lake Sand       | Eastland        | 450  | 8,879                               | 7,203                               | 1,676                                 | 8,750  |
| ATMOS Pipeline - Texas                    | Lake Dallas          | Denton          | 120  | 3,282                               | 3,411                               | (129)                                 | 3,504  |
| ATMOS Pipeline - Texas                    | La-Pan-Miss          | Clay            | 120  | 2,598                               | 2,267                               | 331                                   | 2,598  |
| Cummings Company, Inc.                    | Leeray Strawn        | Stephens        | 20   | -                                   | -                                   | -                                     | -  |
| ATMOS Pipeline - Texas                    | New York City        | Clay            | 120  | 3,705                               | 3,822                               | (117)                                 | 3,935  |
| Fort Concho Gas Storage, Inc.             | Pecan Station        | Tom Green       | 28   | 844                                 | 888                                 | (44)                                  | 844  |
| ATMOS Pipeline - Texas                    | Tri-Cities Bacon     | Henderson       | 275  | 16,537                              | 13,376                              | 3,161                                 | 17,777   |
| ATMOS Pipeline - Texas                    | Tri-Cities Rodessa   | Henderson       | 50   | 2,738                               | 2,441                               | 297                                   | 2,738  |
| Lower Colorado River Authority            | Hilbig               | Bastrop         | 100  | 2,553                               | 2,508                               | 45                                    | 2,593  |
| Natural Gas Pipeline Co.                  | North Lansing        | Harrison        | 1,100  | 62,775                              | 45,890                              | 16,885                                | 65,927   |
| Devon Gas Services LP                     | Lone Camp            | Palo Pinto      | 28   | 394                                 | 248                                 | 146                                   | 408  |
| Kinder Morgan Tejas Pipeline LLC          | Clear Lake           | Harris          | 900  | 69,630                              | 22,866                              | 46,764                                | 72,935   |
| Energy Transfer Fuel LP                   | Bryson               | Jack            | 100  | 5,106                               | 5,221                               | (115)                                 | 5,001  |
| Worsham-Steed Gas Storage, LLC            | Worsham Steed        | Jack            | 25   | 23,843                              | 17,385                              | 6,458                                 | 23,531   |
| Katy Storage and Transportation LP        | Pottsville           | Hamilton        | 200  | -                                   | -                                   | -                                     | -  |
| Enstor Katy Storage and Transportation LP | Katy Hub & Storage   | Fort Bend       | 700  | 21,242                              | 14,289                              | 6,953                                 | 21,675   |
|   | <b>Subtotals</b>     |                 | <b>5,811</b>                                     | <b>277,065</b>                      | <b>162,560</b>                      | <b>114,505</b>                        | <b>286,331</b>                                     |
| Salt Caverns                              |                      |                 |  |                                     |                                     |                                       |  |
| Oneok TX Gas Storage LP                   | Salado (Loop Yates)  | Gaines          | 500  | 1,441                               | 1,771                               | (330)                                 | 1,832  |
| Kinder Morgan Tejas Pipeline LP           | Stratton Ridge       | Brazoria        | 250  | 1,011                               | 458                                 | 553                                   | 1,013  |
| Centana Intrastate Pipeline LLC           | Spindletop           | Jefferson       | 400  | 11,294                              | 2,569                               | 8,725                                 | 11,326   |
| Dow Chemical Co.                          | Stratton Ridge #34   | Brazoria        | 200  | -                                   | -                                   | -                                     | -  |
| Dow Chemical Co.                          | Stratton Ridge #6    | Brazoria        | 180  | 868                                 | 997                                 | (129)                                 | 688  |
| Kinder Morgan Texas Pipeline LP           | North Dayton         | Liberty         | 750  | 9,124                               | 7,509                               | 1,615                                 | 9,076  |
| ATMOS Pipeline - Texas                    | Bethel               | Anderson        | 600  | 3,769                               | 5,046                               | (1,277)                               | 4,185  |
| Moss Bluff Hub Partners LP                | Moss Bluff           | Liberty         | 1,000  | 17,851                              | 11,613                              | 6,238                                 | 18,645   |
| Chevron Phillips Chemical Co              | Clemens              | Brazoria        | 75   | 1,609                               | 1,154                               | 455                                   | 1,552  |
| PB Energy Storage Services, Inc.          | Spindletop           | Jefferson       | 480  | 6,510                               | 7,321                               | (811)                                 | 6,488  |
| Underground Services Markham, LP          | Markham              | Matagorda       | 1,100  | 18,243                              | 15,578                              | 2,665                                 | 19,188   |
| Energy Transfer Fuel LP                   | Bethel Salt Dome     | Anderson        | 600  | 4,120                               | 552                                 | 3,568                                 | 3,594  |
| Envoy Resources Inc                       | Wilson               | Wharton         | 800  | 7,895                               | 4,922                               | 2,973                                 | 9,339  |
| Chevron Keystone Gas Storage              | Keystone Gas Storage | Winkler         | 350  | 6,167                               | 5,102                               | 1,065                                 | 6,832  |
| Underground Storage LLC                   | Pierce Junction      | Harris          | 350  | 1,576                               | 1,175                               | 401                                   | 1,652  |
| Tres Palacios Storage LLC                 | Markham              | Matagorda       | 2,500  | 18,405                              | 5,171                               | 13,234                                | 16,921   |
| Golden Triangle Storage, Inc              | Spindletop           | Jefferson       | 300  | 6,714                               | 4,501                               | 2,213                                 | 6,722  |
| Freeport LNG Development, LP              | Stratton Ridge       | Brazoria        | 300  | 696                                 | 4,309                               | (3,613)                               | 696  |
|   | <b>Subtotals</b>     |                 | <b>10,735</b>                                    | <b>117,293</b>                      | <b>79,748</b>                       | <b>37,545</b>                         | <b>119,749</b>                                     |
| <b>Source: RRC Form G-3</b>               |                      | <b>TOTALS</b>   | <b>16,546</b>                                    | <b>394,358</b>                      | <b>242,308</b>                      | <b>152,050</b>                        | <b>406,080</b>                                     |

\* **Notes:** 1) Native Gas volumes are included in Working Gas volumes with the exception of Houston Pipe Line's Bammel facility and Natural Gas Pipeline Co. of America's North Lansing facility, in which the native gas is part of the non-working resident gas. 2) Due to an expansion of the North Lansing facility, 9,700 MMCCF of Resident Gas Inventory was converted to Working Gas volume as of June, 2007. 3) Tres Palacios Storage LLC Salt Cavern facility was added to report as of October, 2008.

**TABLE 4. TEXAS GAS STORAGE OPERATIONS, 2014-2015**

|              | Depleted Reservoirs            |  |                             | Salt Caverns                   |  |                             | Total                          |  |                             |
|--------------|--------------------------------|--|-----------------------------|--------------------------------|--|-----------------------------|--------------------------------|--|-----------------------------|
|              | Beginning<br>Balance<br>(Mmcf) | Injections/<br>(Withdrawals)<br>(Mmcf) | Ending<br>Balance<br>(Mmcf) | Beginning<br>Balance<br>(Mmcf) | Injections/<br>(Withdrawals)<br>(Mmcf) | Ending<br>Balance<br>(Mmcf) | Beginning<br>Balance<br>(Mmcf) | Injections/<br>(Withdrawals)<br>(Mmcf) | Ending<br>Balance<br>(Mmcf) |
| June-14      | 140,602                        | <b>21,959</b>                          | 162,561                     | 67,563                         | <b>12,185</b>                          | 79,748                      | 208,165                        | <b>34,144</b>                          | 242,309                     |
| July-14      | 162,561                        | <b>18,007</b>                          | 180,568                     | 79,748                         | <b>3,991</b>                           | 83,739                      | 242,309                        | <b>21,998</b>                          | 264,307                     |
| August-14    | 180,568                        | <b>10,785</b>                          | 191,353                     | 83,739                         | <b>(1,505)</b>                         | 82,234                      | 264,307                        | <b>9,280</b>                           | 273,587                     |
| September-14 | 191,353                        | <b>29,085</b>                          | 220,438                     | 82,234                         | <b>19,404</b>                          | 101,638                     | 273,587                        | <b>48,489</b>                          | 322,076                     |
| October-14   | 220,438                        | <b>36,768</b>                          | 257,206                     | 101,638                        | <b>21,978</b>                          | 123,616                     | 322,076                        | <b>58,746</b>                          | 380,822                     |
| November-14  | 257,206                        | <b>15,296</b>                          | 272,502                     | 123,616                        | <b>2,552</b>                           | 126,168                     | 380,822                        | <b>17,848</b>                          | 398,670                     |
| December-14  | 272,502                        | <b>(4,745)</b>                         | 267,757                     | 126,168                        | <b>(5,185)</b>                         | 120,983                     | 398,670                        | <b>(9,930)</b>                         | 388,740                     |
| January-15   | 267,757                        | <b>(43,828)</b>                        | 223,929                     | 120,983                        | <b>(16,782)</b>                        | 104,201                     | 388,740                        | <b>(60,610)</b>                        | 328,130                     |
| February-15  | 223,929                        | <b>(44,503)</b>                        | 179,426                     | 104,201                        | <b>(36,529)</b>                        | 67,672                      | 328,130                        | <b>(81,032)</b>                        | 247,098                     |
| March-15     | 179,426                        | <b>(6,704)</b>                         | 172,722                     | 67,672                         | <b>(4,525)</b>                         | 63,147                      | 247,098                        | <b>(11,229)</b>                        | 235,869                     |
| April-15     | 172,722                        | <b>43,323</b>                          | 216,045                     | 63,147                         | <b>27,516</b>                          | 90,663                      | 235,869                        | <b>70,839</b>                          | 306,708                     |
| May-15       | 216,045                        | <b>42,045</b>                          | 258,090                     | 90,663                         | <b>22,599</b>                          | 113,262                     | 306,708                        | <b>64,644</b>                          | 371,352                     |
| June-15      | 258,090                        | <b>18,975</b>                          | 277,065                     | 113,262                        | <b>4,031</b>                           | 117,293                     | 371,352                        | <b>23,006</b>                          | 394,358                     |

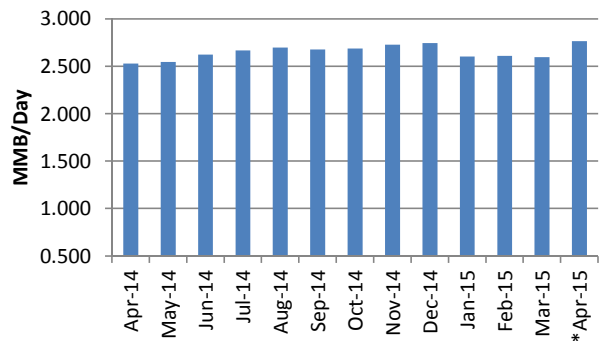
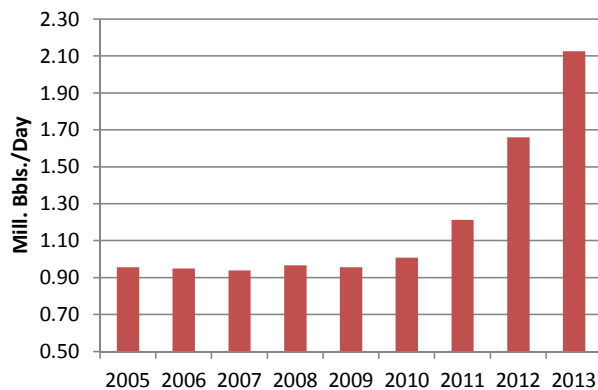
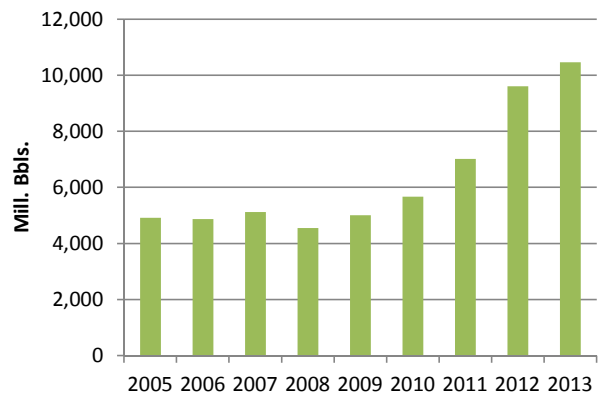
**TABLE 5. TEXAS CRUDE OIL (million barrels)**

| Period | Texas Total Production * | Texas Daily Average* | % of U.S. Production |
|--------|--------------------------|----------------------|----------------------|
| 1994   | 543                      | 1.49                 | 22%                  |
| 1995   | 515                      | 1.41                 | 22%                  |
| 1996   | 500                      | 1.37                 | 21%                  |
| 1997   | 491                      | 1.35                 | 21%                  |
| 1998   | 459                      | 1.26                 | 20%                  |
| 1999   | 409                      | 1.12                 | 19%                  |
| 2000   | 401                      | 1.10                 | 19%                  |
| 2001   | 381                      | 1.04                 | 18%                  |
| 2002   | 366                      | 1.00                 | 17%                  |
| 2003   | 359                      | 0.98                 | 17%                  |
| 2004   | 351                      | 0.96                 | 18%                  |
| 2005   | 349                      | 0.96                 | 18%                  |
| 2006   | 347                      | 0.95                 | 19%                  |
| 2007   | 343                      | 0.94                 | 19%                  |
| 2008   | 353                      | 0.97                 | 19%                  |
| 2009   | 349                      | 0.96                 | 18%                  |
| 2010   | 368                      | 1.01                 | 18%                  |
| 2011   | 443                      | 1.21                 | 22%                  |
| 2012   | 606                      | 1.66                 | 25%                  |
| 2013   | 776                      | 2.13                 | 29%                  |

| Proved Reserves # | % of U.S. Reserves | # of Producing Wells * | WTI Spot Price ** |
|-------------------|--------------------|------------------------|-------------------|
| 5,847             | 26.04%             | 179,955                | \$17.30           |
| 5,743             | 25.69%             | 177,397                | \$14.73           |
| 5,736             | 26.05%             | 175,277                | \$16.31           |
| 5,687             | 25.22%             | 175,475                | \$18.77           |
| 4,927             | 23.42%             | 170,288                | \$20.01           |
| 5,339             | 24.53%             | 162,620                | \$14.06           |
| 5,273             | 23.92%             | 161,097                | \$20.01           |
| 4,944             | 22.03%             | 159,357                | \$25.95           |
| 5,015             | 22.11%             | 155,865                | \$26.11           |
| 4,583             | 20.94%             | 153,461                | \$31.12           |
| 4,613             | 21.59%             | 151,205                | \$41.44           |
| 4,919             | 22.61%             | 151,286                | \$56.49           |
| 4,871             | 23.23%             | 151,832                | \$66.02           |
| 5,122             | 24.03%             | 153,223                | \$72.32           |
| 4,555             | 23.82%             | 156,588                | \$99.57           |
| 5,006             | 24.20%             | 157,807                | \$61.65           |
| 5,674             | 24.39%             | 158,451                | \$79.40           |
| 7,014             | 26.42%             | 161,402                | \$94.86           |
| 9,614             | 31.49%             | 167,864                | \$94.12           |
| 10,468            | 31.37%             | 179,797                | \$97.91           |

|         |       |       |
|---------|-------|-------|
| Apr-14  | 75.92 | 2.531 |
| May-14  | 78.97 | 2.547 |
| Jun-14  | 78.74 | 2.625 |
| Jul-14  | 82.66 | 2.666 |
| Aug-14  | 83.65 | 2.698 |
| Sep-14  | 80.38 | 2.679 |
| Oct-14  | 83.34 | 2.688 |
| Nov-14  | 81.81 | 2.727 |
| Dec-14  | 85.09 | 2.745 |
| Jan-15  | 80.76 | 2.605 |
| Feb-15  | 73.05 | 2.609 |
| Mar-15  | 80.53 | 2.598 |
| *Apr-15 | 82.99 | 2.766 |

\* Note: The most recent 12 months of production data is preliminary and subject to revision. The most recent month of data is incomplete and may underestimate the final and complete total; a production adjustment factor of 1.1924 has been applied to reported April crude oil production to obtain an estimate of final crude oil production.

**Texas Oil Production 2014-2015****Texas Oil Production 2005 - 2013****Texas Crude Oil Reserves 2005- 2013**

\* Source: Railroad Commission of Texas. Production data is subject to revision.

# Source: U.S. Energy Information Administration (EIA). Reserve estimates for 1985 and after exclude federal offshore.

\*\* Source: Texas Comptroller of Public Accounts. Wellhead price is average net taxable price (\$/bbl.) & excludes federal offshore production.

Source for 2001 and after is EIA. Wellhead price is West Texas Intermediate spot average.

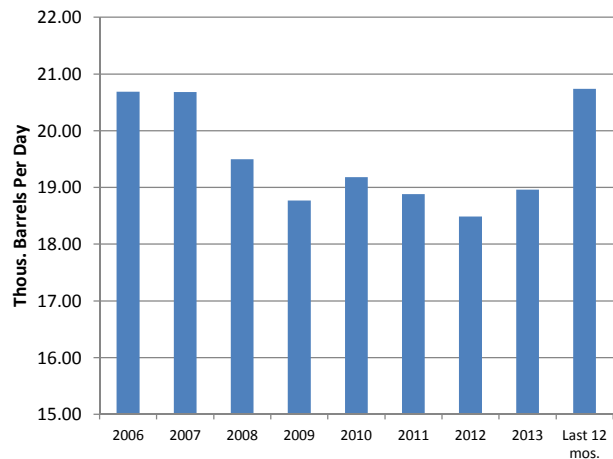
**TABLE 6. US PETROLEUM OVERVIEW (MILLION BARRELS PER DAY)**

| Period       | Production* | Imports ** |           |          | Products Supplied # | Proved Reserves ** | Wells Drilled ** | Wellhead Price ** |
|--------------|-------------|------------|-----------|----------|---------------------|--------------------|------------------|-------------------|
|              |             | Total      | Crude Oil | Products |                     |                    |                  |                   |
| 1994         | 6.67        | 9.00       | 7.06      | 1.93     | 17.72               | 22,457             | 22,255           | 13.19             |
| 1995         | 6.56        | 8.84       | 7.23      | 1.61     | 17.73               | 22,351             | 21,600           | 14.62             |
| 1996         | 6.47        | 9.48       | 7.51      | 1.97     | 18.31               | 22,017             | 23,886           | 18.46             |
| 1997         | 6.45        | 10.16      | 8.23      | 1.94     | 18.62               | 22,546             | 27,586           | 17.23             |
| 1998         | 6.25        | 10.71      | 8.71      | 2.00     | 18.92               | 21,034             | 22,911           | 10.87             |
| 1999         | 5.88        | 10.85      | 8.73      | 2.12     | 19.52               | 21,765             | 18,939           | 15.56             |
| 2000         | 5.82        | 11.46      | 9.07      | 2.39     | 19.70               | 22,045             | 29,287           | 26.72             |
| 2001         | 5.80        | 11.87      | 9.33      | 2.54     | 19.65               | 22,446             | 35,558           | 21.84             |
| 2002         | 5.74        | 11.53      | 9.14      | 2.39     | 19.76               | 22,677             | 27,871           | 22.51             |
| 2003         | 5.65        | 12.26      | 9.67      | 2.60     | 20.03               | 21,891             | 32,833           | 27.56             |
| 2004         | 5.44        | 13.15      | 10.09     | 3.06     | 20.73               | 21,371             | 37,057           | 36.77             |
| 2005         | 5.18        | 13.71      | 10.13     | 3.59     | 20.80               | 21,757             | 44,022           | 50.28             |
| 2006         | 5.09        | 13.71      | 10.12     | 3.59     | 20.69               | 20,972             | 51,429           | 59.69             |
| 2007         | 5.08        | 13.47      | 10.03     | 3.44     | 20.68               | 21,317             | 51,071           | 66.52             |
| 2008         | 5.00        | 12.92      | 9.78      | 3.13     | 19.50               | 19,121             | 54,302           | 94.04             |
| 2009         | 5.35        | 11.69      | 9.01      | 2.68     | 18.77               | 20,682             | 32,803           | 56.35             |
| 2010         | 5.48        | 11.79      | 9.21      | 2.58     | 19.18               | 23,267             | 36,611           | 74.71             |
| 2011         | 5.65        | 11.44      | 8.94      | 2.50     | 18.88               | 26,544             | n/a              | 95.73             |
| 2012         | 6.50        | 10.60      | 8.53      | 2.07     | 18.49               | 30,529             | n/a              | 94.52             |
| 2013         | 7.46        | 9.86       | 7.73      | 2.13     | 18.96               | 33,371             | n/a              | 95.99             |
| Last 12 mos. | 9.85        | 10.04      | 7.92      | 2.12     | 20.74               |                    |                  |                   |

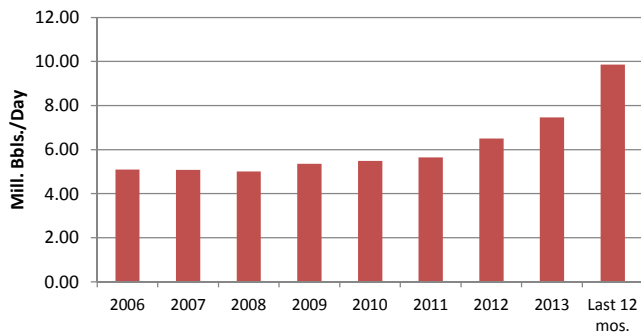
|          |      |      |      |      |       |
|----------|------|------|------|------|-------|
| Apr-2014 | 8.54 | 9.58 | 7.55 | 2.04 | 18.78 |
| May-2014 | 8.61 | 9.38 | 7.17 | 2.22 | 18.52 |
| Jun-2014 | 8.67 | 8.82 | 7.05 | 1.76 | 18.83 |
| Jul-2014 | 8.75 | 9.47 | 7.62 | 1.85 | 19.16 |
| Aug-2014 | 8.84 | 9.31 | 7.47 | 1.84 | 19.28 |
| Sep-2014 | 8.96 | 9.15 | 7.51 | 1.64 | 19.04 |
| Oct-2014 | 9.14 | 8.91 | 7.13 | 1.78 | 19.63 |
| Nov-2014 | 9.20 | 8.97 | 7.27 | 1.69 | 19.21 |
| Dec-2014 | 9.41 | 9.39 | 7.21 | 2.18 | 19.52 |
| Jan-2015 | 9.31 | 9.39 | 7.15 | 2.24 | 19.25 |
| Feb-2015 | 9.43 | 9.24 | 7.11 | 2.13 | 19.40 |
| Mar-2015 | 9.69 | 9.55 | 7.57 | 1.98 | 19.24 |
| Apr-2015 | 9.69 | 9.31 | 7.21 | 2.10 | 19.04 |

(Monthly data is subject to revision.)

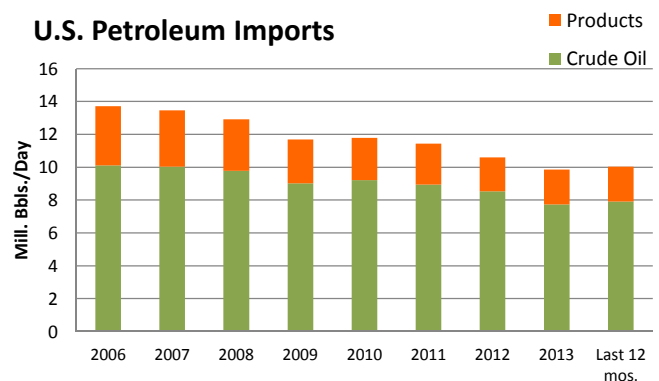
**U.S. Petroleum Consumption**



**U.S. Crude Oil Production**



**U.S. Petroleum Imports**



\* Sources: U.S. Energy Information Administration (EIA). Recent production data is subject to revision.

\*\* Source: EIA. Wells drilled includes crude oil, natural gas, and dry wells drilled. U.S. average wellhead (first purchase) price is dollars per barrel. (Per most recent data from EIA)

# Source: EIA. Petroleum products supplied is a measure of domestic consumption.

**Railroad Commission of Texas**

P. O. Box 12967

Austin, Texas 78711-2967

---

*Texas PetroFacts* is available in PDF format for download from the Railroad Commission web site at <http://www.rrc.texas.gov>.

Created in 1891 by the Texas Legislature, the Railroad Commission today is known principally as a leader in the regulation and conservation of oil and natural gas in Texas. For more than 100 years, the Commission has been charged with preventing waste and pollution while safeguarding property rights.

We believe the people of Texas continue to have a vital stake in the orderly production and conservation of the state's natural resources. Across the state, crude oil and natural gas are produced in 218\* of 254 counties. About 285,000\* persons are employed in oil and gas exploration, production, refining, and related industries. In all, businesses involved with the Texas oil and gas industry contribute about \$206 billion annually to the state's more than one trillion-dollar economy.

As an oil and gas producer, the state of Texas ranks among the nations of the world. Texas leads the United States in the production of crude oil and natural gas, and its marketed production of natural gas represents one-third of total U. S. supply. Texas produces an average of nearly two million barrels of oil a day; natural gas production in the state exceeds 8 trillion cubic feet a year.

David Porter  
Chairman

Christi Craddick  
Commissioner

Ryan Sitton  
Commissioner

\* The number of producing counties and employment data are subject to revision.